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and Labour

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2003/04 – 2005/06

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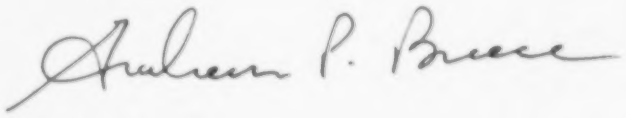
Accountability Statement

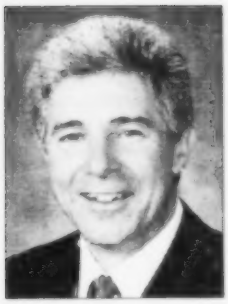
The 2003/04 – 2005/06 Ministry of Skills Development and Labour Service Plan was prepared under my direction in accordance with the *Budget Transparency and Accountability Act*. I am accountable for the basis on which the plan has been prepared. The plan was developed in the context of the government's *New Era* commitments which are to be addressed by May 17, 2005. All material fiscal assumptions and policy decisions as of January 21, 2003 have been considered in preparing the plan and I am accountable for achieving the specific objectives in the plan.



Honourable G. Bruce
Minister of Skills Development and Labour
January 21, 2003

BRITISH COLUMBIA

Ministry of Skills Development and Labour



Changes to the *Labour Relations Code*, the *Workers Compensation Act* and the *Employment Standards Act* from 2002/03 fulfil a number of *New Era* commitments and encourage employees and employers to develop healthy workplace relationships that lead to good, sustainable jobs.

The next three years will see the Ministry of Skills Development and Labour working to improve labour relations and focussing service-delivery on its core programs.

The review of the *Labour Relations Code* by a committee of special advisers will give us a better understanding of today's labour relations challenges. The committee will review specific issues with an eye to ensuring the labour code is fair and balanced. I want to see B.C. continuing to move towards an era of labour-management cooperation. I'm confident this committee can help achieve that goal.

Work with different business sectors on employment standards issues will guide how we develop fair and balanced employment standards that allow mutually beneficial relationships between workers and employers while maintaining protection for vulnerable workers.

Legislative changes introduced in 2002 will ensure the workers compensation system remains financially sustainable and a revised appeal process will provide fair, timely and consistent decisions. We expect to see appeal backlogs reduced and potentially eliminated over the next three years. The newly appointed WCB Board will review and implement Allan Hunt's recommendations to improve service delivery. The Board will also work closely with WCB departments and the independent Workers' Compensation Appeal Tribunal to ensure policies are consistently applied across all areas in the system.

In the Ministry of Skills Development and Labour, our goal is to make B.C. a better place to live, work and do business. The coming three years will be both busy and challenging times for the Ministry as we work to help prepare British Columbia's workplaces for the next decade.

Honourable G. Bruce
Minister

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Strategic Context

Ministry Overview

The Ministry of Skills Development and Labour is working to build a modern employment environment that meets the needs of employees, employers and unions in British Columbia. The core functions of the ministry include skills development, industrial relations, employment standards and workers' compensation.

Highlights of Changes From the Previous Plan

In 2002/03 the ministry continued to build on initiatives set forth in the 2002/03 service plan. There were no fundamental changes in direction from the goals and courses of action detailed in the service plan tabled last year.

Planning Context

Approximately two million people were employed in B.C. in 2002. Almost 354,000 worked in the broader public sector, more than 1.2 million worked in the private sector and approximately 370,000 were self-employed. In the same year, about 600,000 B.C. employees were members of trade unions. Small business in B.C. grew by 48 per cent between 1991 and 2001. Currently, 47 per cent of employed British Columbians work in small businesses with fewer than 50 employees. This overview provides the context within which the ministry's work will take place in the future.

Strengths and Opportunities

- Government has a strong mandate to improve and revitalize the provincial economy by enhancing B.C.'s labour relations environment.
- The changing world of work and an expanded economy have led to diversification and growth of non-traditional areas such as entertainment, technology and eco-tourism, creating greater employment opportunities.
- B.C.'s educated workforce is attractive to potential employers.
- Reviews of the workers' compensation system, the *Labour Relations Code* and *Employment Standards Act* will ensure that legislation and programs reflect the realities of today's workplaces.
- Government is committed to reducing red tape and legislation.

Challenges

- Provincial, national and global economic climates continue to produce instability in many workplaces in the province. The ministry strives to establish a stable employment environment to counter external forces and balance internal pressures as much as possible.
- Continuing changes in the nature of work in B.C. have produced job losses and closures in many traditional resource-based sectors.
- The core services of the ministry have been identified and measures are being implemented to strengthen core services, within the limits of available resources.

Risks

- The core review identified some services that will no longer be provided. However, the essential services of the ministry will be maintained.

Assumptions

- Government will continue to enforce minimum workplace standards and procedures to protect the public interest, promote industrial stability and encourage economic growth. Outside of this, employers and employees are in the best position to determine how their workplaces should operate.
- Stakeholder groups will continue to have differing interests, but will share an interest in an economy that works.

Vision

A modern work environment for British Columbians that encourages innovation, rewards creative thinking and increases productivity. Employees and employers are treated fairly and equitably. A prosperous British Columbia where employers and employees have confidence in the future.

Mission

Our mission is to create an employment environment with dynamic workplaces that meet the needs of workers, employers and unions. Vulnerable workers will be protected. We will ensure that British Columbians have the tools they need to foster working relationships in safe and healthy workplaces. We will develop programs and legislation that contribute to provincial competitiveness and prosperity.

Values

The following values are integral to achieving the goals of the Ministry of Skills Development and Labour:

- We seek fair and balanced workplaces in all sectors and will ensure that all related ministry decisions are made in a consistent, professional, fair and balanced manner.
- We support a competitive business environment that attracts investment to British Columbia and retains our skilled employees.
- We will protect the most vulnerable employees in the province and ensure they are treated equitably, compassionately and respectfully.
- We will encourage small businesses to prosper through simple and streamlined processes.
- We strive to be relevant and responsive to constantly changing workplaces.
- We adhere to sound fiscal responsibility and management and the implementation of affordable public policies.
- We value the hard work and expertise of all ministry employees.

Goals and Core Business Areas

Goals

1. Promote productive and competitive workplaces from which good relationships in the labour relations community can be developed.

   The ministry's initiative to contribute to a more positive investment climate continues. The ministry will continue to move to a labour relations framework that:

   - helps promote a vibrant, productive and competitive economy;
   - balances the rights and obligations of employers, trade unions and employees; and
   - protects the rights of third parties not involved in industrial disputes.

   The ministry provides broad-based, all-inclusive industrial relations services that are focused and efficient.

2. Fair and balanced employment standards that promote mutually beneficial relationships between employees and employers.

   While being responsive to the needs of business the ministry will ensure minimum standards are enforced to protect vulnerable workers. New employment standards legislation passed in 2002 fulfills a government commitment to give employees and employers greater flexibility in negotiating mutually beneficial relationships that help them compete and prosper.

   These changes provide for:

   - a shift from blanket coverage, prescribed practices and government enforcement to a system of focused coverage and enforcement;
   - greater flexibility to support practices that work for employers and employees; and
   - the creation of a relationship between government and industry that encourages good practices and exerts pressure on non-compliant employers.

   This focused approach to employment standards will allow the Employment Standards Branch (ESB) to better fulfill its core mandate while supporting the deregulation aims of government.

   Regulatory changes that address unique circumstances of specific sectors such as high technology, oil and gas and agriculture also proceeded in 2002. Further ongoing discussions with various sectors continue as government shifts from "one-size-fits-all" to a more industry-specific approach. The intent is to provide the appropriate combination of

flexibility and enforcement to ensure these industries, their employees and communities can grow and prosper together.

3. Safe and healthy workplaces and a workers' compensation system that is responsive to the needs of employees and employers alike.

   Over the next three years the ministry will make changes to the workers' compensation system. Legislative changes to the *Workers Compensation Act* in the spring 2002 legislative session provide that the act is more appropriate for today's work environment. Core reviews and overarching government strategies aimed at deregulation and "red tape" elimination will increase the responsiveness of the Workers' Compensation Board (WCB) for employees and employers.

Core Business Areas

The following section describes the core business areas of the Ministry of Skills Development and Labour.

1. Skills Development/Industry Adjustment

The ministry has two areas of core business related to skills development. The first is the development of a provincial human resource strategy and the second is participating in the development of a youth employment strategy.

In June 2001, the ministry was tasked with developing a provincial human resource strategy in partnership with the Ministry of Competition, Science and Enterprise. The focus of the strategy is to ensure that labour market planning issues are clearly linked to economic priorities, and that there are mechanisms in place to anticipate future skill shortage situations. To guide this process two steering groups have been formed. These steering groups include representatives from the following agencies: Ministry of Competition, Science and Enterprise; Ministry of Advanced Education; Ministry of Education; Ministry of Community, Aboriginal and Women's Services; Ministry of Human Resources; Ministry of Health Services; the Intergovernmental Relations Secretariat; and the Public Sector Employers' Council.

To date, a framework of business strategies that could be adopted to address both cyclic and structural skills shortages has been developed. These business practices range from recruitment and compensation practices, which could help ease labour shortages in the short-term, to investment in training and succession planning, which will have longer-term benefits.

The ministry has assisted the Public Service Employers' Council in the development of a labour market planning template that could help public service employers anticipate and avert specific skill shortages. The ministry does not have new funding for any programs

related to this area. Future work on implementation of this strategy will require cabinet decision.

The ministry is continuing to work jointly with the Ministry of Competition, Science and Enterprise on a youth employment strategy for British Columbia. While this will take shape separately from the human resource strategy, the linkage to the issues of skills shortage is a direct one, as helping to reduce youth unemployment will be necessary in order to offset pressures due to skills shortages. A youth employment strategy will be completed by the end of 2002/03. No funding has been allocated for any program recommendations arising from this strategy.

In January 2002, the ministry announced that administration and funding of Industrial Adjustment Services was no longer a core service for the ministry. These services have been phased out, and related funding and staffing allocations were completed by September 30, 2002.

2. Workplace Programs (Employment Standards)

Employment standards activities aim to foster fair, productive and harmonious workplaces that promote prosperous businesses, quality working lives and a strong, growing economy.

The ESB administers the *Employment Standards Act* (ESA) and Regulation, which set minimum standards of wage payments, overtime, vacation, statutory holidays, leaves, compensation for length of service, hours of work, employment of children and licensing of certain employment services.

In addition to enforcing the legislation, the branch provides education, training and early intervention to ensure all parties in the workplace are aware of their rights and responsibilities and the enforcement of legislation.

Branch staff answer employee and employer inquiries, receive and address complaints of contraventions, and deliver professional, neutral mediation services to assist parties to come to a mutually satisfactory resolution to workplace disputes. Where resolution is not possible through less intrusive means, the branch adjudicates disputes under the act.

The branch also carries out sector-specific enforcement in areas identified as having exceptional difficulties with compliance.

The ministry also assists other ministries in addressing sector-specific issues to promote a more prosperous economy. These include the development of sector-focused regulations such as oil and gas, agriculture, mining, forestry, silviculture and the film industry.

The Employment Standards Tribunal (EST) aims to provide timely, efficient and neutral resolution of appeals of ESB determinations. Legislative, regulatory and operational amendments have been implemented that reflect the government's vision for fair and effective standards.

3. Industrial Relations

The ministry's industrial relations activities aim to provide fairly administered industrial relations models. The ministry oversees the *Labour Relations Code* (LRC), which sets a framework for the rights of employees to choose trade union representation, collective bargaining between employers and trade unions in unionized workplaces, and mechanisms to address changes in the employment structure of the workplace.

The LRC establishes the Labour Relations Board (LRB) as an independent tribunal to establish and regulate relationships between employers, trade unions and employees, and to resolve disputes arising in those relationships through mediation and adjudication. As a quasi-judicial tribunal, the LRB's ability to deal with industrial relations disputes is faster and more efficient than the courts. The LRB also provides alternate dispute resolution services which focus on assisting parties in resolving collective bargaining disputes. It also assists parties in improving labour relations, conflict prevention and resolving contractual disputes during the term of a collective agreement. Votes ordered under the provisions of the LRC are supervised by staff from the Employment Standards Branch (ESB).

The ministry actively monitors the industrial relations environment in B.C. Self-reliance in resolving disputes through free collective bargaining is encouraged, but occasionally the ministry plays a direct role in helping parties to settle difficult disputes. This helps maintain industrial relations stability — particularly when the public may be adversely affected by a dispute. For example, the Minister may appoint a mediator or special mediator to work with the parties, appoint a commission to report on the issues involved in a dispute, or direct the LRB to designate essential services.

Additionally, the Minister and ministry staff provide assistance to other ministries responsible for addressing health, education and social services concerns in the development of labour relations legislation.

4. Workers' Compensation

The ministry oversees the *Workers Compensation Act* (WCA), which sets out the workers' compensation system for B.C., provides a framework to protect workers by promoting safe and healthy workplaces, and establishes the Workers' Compensation Board (WCB) as an independent statutory agency to administer the WCA. The ministry's role is to ensure that the workers' compensation system is responsive to the needs of employees and employers alike. This includes setting standards for the Workers' Advisers Office and the Employers' Advisers Office.

The WCA was amended in spring 2002 to establish a new governing structure to oversee the operation of the WCB. The first appointments to the new board were made in the fall of 2002. The directors will be responsible for WCB's performance measures and standards and implementing service delivery improvements recommended by Allan Hunt.

As an independent statutory agency, the WCB provides compensation services including wage-loss benefits and vocational rehabilitation to workers suffering injury or disease. It creates and enforces provincial workplace health and safety regulations. The board is wholly funded by employer payroll assessments.

An appeal system is available to workers and employers involved in the workers' compensation system. In spring 2002, following review of the workers' compensation system and administrative justice tribunals, legislation was introduced to make the appeal system more responsive to the needs of employees and employers. The legislation, modified slightly and passed in the fall 2002 sitting of the legislature, provides for a two-level appeal system consisting of an internal review by a new WCB department and an independent external appeal to a new Workers' Compensation Appeal Tribunal.

The Workers' Advisers and Employers' Advisers offices are administered by the ministry and provide support and advisory services to workers and employers involved in the workers' compensation system. The Workers' Advisers and Employers' Advisers offices are funded by employers through the accident fund.

A review of WCB policies and operations took place in fall 2001, with a report and recommendations made to the Minister in February 2002. Legislative amendments in spring 2002 introduced a number of changes in the compensation paid to injured workers. Further potential changes relating to occupational health and safety, benefits for the surviving family members of deceased workers, and rights of an estate are expected in a future session.

Objectives, Strategies, Performance Measures and Targets

Labour market indicators are influenced by a variety of factors. This creates difficulty in determining attribution when the indicators change, positively or negatively. Thus, the Ministry of Skills Development and Labour is limited in the indicators for which it can claim accountability. The following broad labour indicators provide an illustration of the employment situation in B.C. and provide the framework within which the ministry works. All data is seasonally adjusted.

Comparative Months	BC Labour Force ('000)	Employment Rate	Unemployment Rate	Participation Rate	Youth Unemployment Rate (15-24- year-olds)	Youth Employment Rate (% of Population)
Dec. 2001	2119.4	58.0%	9.7%	**64.2%**	**15.5%**	**51.5%**
Dec. 2002	2175.8	59.5%	8.3%	**65.1%**	**14.9%**	**54.3%**

The following pages provide an overview of key ministry goals for each core business area, the strategies that will be used to meet these goals and the measures that will be used to determine progress. In addition to ministry policy and legislative initiatives, the overall state of the provincial economy, as well as national and global economic events, will significantly influence these measures.

The Labour Relations Board has undergone significant operational changes in 2002/03. Together with changes to the *Labour Relations Code,* this has meant that baseline data for 2003/04 have been substantially revised from the previous year's service plan. In doing so, the ministry has sought to identify anticipated improvements rather than specific targets. If the *Labour Relations Code* is further amended in the future, this may have impacts on the measures as well.

Likewise, changes to the *Employment Standards Act,* as well as the restructuring of the Employment Standards Branch, have meant that the 2003/04 baseline data for this core business have been substantially revised from the previous year's service plan. The introduction of self-help materials, the shift from an investigative to a mediation and adjudication model, and compliance partnerships with industries are expected to substantially affect ministry measures. Similarly, the ministry has sought to identify anticipated improvements rather than specific targets. A case in point is the number of complaints received by the ESB. A decline in the number of complaints could be attributable to a number of factors, such as the improved effectiveness and efficiency of the self-help kits. Likewise, an increase in the number of complaints in the future may be attributable to a substantial upswing in the provincial economy. As the number of British Columbians

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finding work increases, the overall number of complaints may also increase even though on a per capita basis the number of complaints remains stable. Further more detailed output measurements will be developed in future years as the changes to employment standards become operational and established.

As an independent Crown agency, the WCB identifies and measures performance against its own major objectives. This includes measures for the recently established Review Division, which will be the first level of appeal for workers' compensation matters in a revamped appeal system.

As a result of changes to the *Workers Compensation Act*, the new independent Workers' Compensation Appeal Tribunal (WCAT) is expected to be in full operation by March 2003. WCAT will be the second and final appeal level in the new system, which was introduced to address delays, complexity and lack of consistency in the present system. The ministry has identified anticipated improvements for the appeal system to ensure fair, timely and consistent decisions. Several legislative changes are designed to assist WCAT with these objectives, such as maximum time frames for decisions, a new role for medical advisors, and policy that will be binding on the workers' compensation system as a whole. It is premature to provide measures and targets at this point, given that WCAT is not yet operative. However, WCAT will be measuring its progress in 2003 to assist in establishing appropriate measures and targets for subsequent years.

Core Business Area: Industrial Relations

Goal: Promote productive and competitive workplaces from which good relationships in the labour relations community can be developed.	
Objective:	**Encourage mutual confidence between unions and employers.**
Strategies:	Provide information to LRB clients about LRC and industrial relations practices. Create an industrial relations environment that is responsive to the needs of employees, unions and employers.
Objective:	**Decrease lost workdays due to labour disputes.**
Strategies:	Encourage alternative dispute resolution processes. Encourage the use of resources in the community to develop quick resolution of disputes.
Objective:	**Decrease number of LRC contraventions.**
Strategies:	Provide information to LRB clients about LRC and industrial relations practices. Ensure LRB operations are suited to today's work environment. Create industrial relations environment that is responsive to needs of employees, unions and employers.
Objective:	**Resolve appeals in a timely manner.**
Strategies:	Facilitate use of early intervention and alternative dispute resolution processes. Expedite LRB adjudication, including more focused decisions.

Industrial Relations Performance Measures	Targets[1]				
	2001 Historical	2002[2] Base Data	2003 Target	2004 Target	2005 Target
Output Measures					
Number of LRB applications and complaints received.[3]	3,032	2,000	2,250-2,350	2,350-2,580	2,250-2,350
Outcome Measures					
Number of applications and complaints disposed of.[4]	3,152	2,150	2,250-2,350	2,350-2,580	2,250-2,350
Percentage of disputes settled.[5]	72.4%	70-75%	70-75%	70-75%	70-75%
Average number of backlog cases.[6]	38.4	30	35	35	35

[1] Estimates and targets are based on the averages from 1998 to 2002 inclusive and based on calendar years. Ranges given address the restructuring of the LRB and the evolving labour relations climate in British Columbia.

[2] Figures for 2002 are projected and subject to change prior to publication of the LRB's 2002 annual report.

[3] Includes mediations and adjudications, does not include the Collective Agreement Arbitration Bureau. The relatively small range of increase for 2003 to 2005 takes into account the changing profile of the labour force, the cycle of business, including expiration of contracts, and variation in union activities that may focus on broader labour relations issues and less on day-to-day issues and certification activities.

[4] The range for 2003 to 2005 takes into account a number of substantial operative changes within the LRB that have occurred in 2002 and will continue well into 2003. These include a substantial reduction in staffing and budgetary allotments and the reduction in the number of vice chairs.

[5] "Disputes" that come to the LRB include: unfair labour practice complaints (Ss. 5–12); applications under section 32 and 45; Part 5 applications (Ss. 57–70); and applications under sections 55 and 74 of the LRC. Data is based on historical experience.

[6] In general, a case is seen as part of the "backlog" if it has been assigned for more than 90 days and no hearing will be held, or where a hearing has been completed and more than 45 days have passed. The estimated increase in backlog for 2003 and 2004 is attributable to the reduction in staffing of adjudicators.

Core Business Area: Workplace Programs (Employment Standards)

Goal: Fair and balanced employment standards that allow mutually beneficial relationships between employees and employers.	
Objective:	**Facilitate increased compliance with ESA.**
Strategies:	Increase employers' and employees' knowledge and understanding of ESA. Ensure contraventions of ESA are identified and corrected.
Objective:	**Create a fairer and more balanced employment standards system that benefits employers and employees.**
Strategies:	Ensure ESA is suited to today's workplaces and meets the needs of employers and employees. Increase employers' and employees' awareness of the employment standards system, including where they can go for assistance. Develop a vibrant relationship with industry that promotes joint responsibility for education and training.
Objective:	**Resolve employment standards disputes prior to formal complaint being filed with ESB.**
Strategies:	Provide advice and support services for employers and employees. Support early intervention and alternative dispute resolution in employment standards disputes.
Objective:	**Increase ESB efficiency and effectiveness.**
Strategies:	Support early intervention in employment standards disputes. Improve quality of ESB decision-making. Provide early intervention/dispute resolution processes.
Objective:	**Streamline appeal system.**
Strategies:	Ensure consistency in decision-making.

Employment Standards Performance Measures	Targets				
	2001/02 Historical	2002/03 Base Data	2003/04 Target	2004/05 Target	2005/06 Target
Output Measures					
Complaints received by ESB.	14,000	12,500	11,250 - 10,000	11,250 -10,000	11,250 - 10,000
ESA determinations.[1]	1,600	1,550	1,400 – 1,250	1,400 – 1,250	1,400 – 1,250
EST appeals and reconsiderations processed.	809	826	740 - 660	740 - 660	740 - 660
ESB early intervention attempts.[2]	1,435	1,580	1,500	1,500	1,500
Outcome Measures					
Determinations upheld by the EST.[3]	68%	68%	70%	70%	70%
EST timeliness.[4]		90	90	90	90
ESB timeliness.[5]		180	150	120	100

[1] A determination is an official written decision made by the branch on an employee/employer issue. The estimates are broad to indicate uncertainty in ESB activities, due to substantial changes in legislation and operations. As trend information emerges in 2003/04, better forecasts will be developed.

[2] An intervention attempt is an attempt to resolve a problem between the employee and employer by providing information on basic requirements of the ESA, which eliminates the need to file a formal complaint.

[3] Based on 516 decisions that made findings with respect to substantive matters under appeal.

[4] The length of time to decide appeal (days). Data commenced in 2002/03.

[5] The length of time from submission of complaint to closure (days). Data commenced in 2002/03.

Core Business Area: Workers' Compensation

Goal: Safe and healthy workplaces and a workers' compensation system that is responsive to the needs of workers and employers alike.	
Objective:	**Fewer workplace injuries, illnesses and deaths.**
Strategies:	Support employers in managing the risks and consequences of workplace illnesses and injuries; encourage workplaces to improve their safety practices. Provide information, education and training programs. Target employers and industries with poor safety records.
Objective:	**Better compliance with WCA and OHS regulations.**
Strategies:	To inspect workplaces for compliance, order corrective action and levy administrative penalties when there is repeated non-compliance or where workers have been exposed to serious risk of injury or disease. Ensure workers' compensation system is responsive and meets the needs of employers and employees. Ensure WCA and OHS regulations are suited to today's workplaces.
Objective:	**Decrease number of appeals filed.**
Strategies:	Facilitate employers' and employees' understanding of the workers' compensation system, including appeal processes. Streamline appeal system.

Ministry Services Supporting Workers' Compensation [1] [2]	Targets				
	2001/02 Historical	2002/03 Base Data	2003/04 Target	2004/05 Target	2005/06 Target
Output Measures					
Inquiries responded to by Workers' Advisers Office.[3]	115,105	137,500	137,000	130,500	127,500
Inquiries responded to by Employers' Advisers Office.	139,000	148,000	150,000	155,000	150,000
Advice/assistance provided by Employers' Advisers Office.[4]	13,150	13,500	14,000	14,500	15,000
Employers' Advisers Office information and skills development seminar participation.[5]	3,150	4,500	3,650	3,700	4,500

[1] As an independent Crown agency, the WCB identifies and measures its own major objectives. Please visit the WCB's Web site at www.worksafebc.com to view the agency's annual reports, statistical reports and strategic plan.

[2] As a result of changes to the *Workers Compensation Act*, the new independent Workers' Compensation Appeal Tribunal is expected to be in full operation by March 2003. This tribunal replaces the Workers' Compensation Review Board. As a result, performance measures for the WCRB do not appear in this year's service plan.

[3] Estimates and targets are based on impact of expected new legislation and reduction of appeal backlog.

[4] Includes advice and assistance provided to new clients that fully addressed their needs at point of contact.

[5] Includes employers, workers, safety committee members and professionals who attend EAO seminars on various components of workers' compensation legislation. As noted above, this number is likely to increase in 2002/03 after new legislation is introduced.

Consistency with Government Strategic Plan

The objectives of the Ministry of Skills Development and Labour are consistent with the government strategic plan. A healthy labour environment is essential to achieving the broad goals of government including a strong and vibrant provincial economy, a supportive social infrastructure and safe and healthy communities.

Employment standards are considered by businesses when deciding where to locate. Flexible and appropriate employment standards will attract businesses to B.C. and contribute to the provincial economy. Workers' compensation rates and coverage also influence the attractiveness of B.C. as a place to do business. Attracting private sector businesses to the province will increase the number of high-paying job opportunities for British Columbians and contribute to economic prosperity.

The ministry's efforts to streamline services, such as employment standards and the LRB, are consistent with the government's priority of responsible and accountable management of B.C.'s public resources and tax dollars.

Deregulation

Cross-government deregulation initiatives, which seek to reduce the overall regulatory burden by one third, will impact all core businesses of the Ministry of Skills Development and Labour.

By the end of 2002, the ministry had reduced its regulatory requirements by over 15 per cent and the Workers' Compensation Board had reduced its regulatory requirements by 3 per cent.

The ministry will continue its analysis to streamline regulations and eliminate unnecessary requirements throughout 2003 to 2004. Specifically, legislative reviews of the *Workers Compensation Act* and the *Employment Standards Act* will continue with changes to legislation through 2004. The ministry anticipates that the deregulation efforts of the Workers' Compensation Board will result in substantial reductions. As a result, the ministry anticipates achieving its goal of reducing its regulatory requirements by one third by June 2004.

While efforts will continue to reduce the number of requirements imposed on the public, the ministry will also seek to ensure that the more qualitative impacts of deregulation also proceed. For example, while employers are still required to maintain records for employment standards, the length of time has been reduced from five to two years. This is a substantial lessening of a government-imposed obligation though it does not alter the 'count' of regulations.

Performance Measures: Reduction of Ministry's regulatory burden by one-third by 2004.			
Base	**Target 2003/04**	**Target 2004/05**	**Target 2005/06**
Per cent reduction in 2002/03 **21%**	Per cent reduction in 2003/04 **8%**	Per cent reduction in 2004/05 **5%** Total per cent reduction by 2004/05 **34%**	Review any new opportunities for reductions and 'smart tape'

Performance Measures: Reduction of regulatory burden of the Workers' Compensation Board by one-third by 2004.			
Base	**Target 2003/04**	**Target 2004/05**	**Target 2005/06**
Per cent reduction in 2002/03 **6%**	Per cent reduction in 2003/04 **15%**	Per cent reduction by 2004/05 **12%** Total per cent reduction by 2004/05 **33%**	Review any new opportunities for reduction and 'smart tape'

Resource Summary

Core Business	2001/02 Base Data	2002/03 Restated Estimates	2003/04 Estimates	2004/05 Target	2005/06 Target
Operating Expenses					
Skills Development and Employment Standards	17,874	16,114	13,834	10,064	10,064
Industrial Relations	9,329	9,510	8,120	5,834	5,834
Workers' Compensation	1	1	1	1	1
Executive and Support Services	2,764	3,175	3,682	2,913	2,913
Totals	**29,968**	**28,800**	**25,637**	**18,812**	**18,812**
FTEs					
Main Ministry	298	238	188	178	178
Worker's Compensation Component	238	238	263	246	210
Totals	**536**	**476**	**451**	**424**	**388**
Consolidated Capital Plan (CCP)					
Not applicable to MSDL					
Capital (CRF)					
Skills Development and Employment Standards	678	355	677	300	300
Industrial Relations	530	133	20	91	91
Workers' Compensation	3,960	863	2,815	1,055	1,055
Executive and Support Services	684	—	—	—	—
Totals	**5,852**	**1,351**	**3,512**	**1,446**	**1,446**

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Summary of Related Planning Processes

Information Resource Management Plan

1. Service delivery via the Web.
2. Shared servers for SDL applications.
3. Re-use of designs and functions across SDL development projects.
4. Data standardization.
5. Enterprise data.
6. Electronic information access and protection of privacy.
7. Data sharing.

Major Projects

Employment Standards Branch — Case Management System	December 2003	• More effective monitoring and enforcement activities through enhancing support for officers and increased direct contact with employers. • Enhanced management reporting and tracking of performance metrics. • Improved systems support for the consistent application of ESB regulation.
Systems Analysis and Requirements Definitions for WAO, EAO and WCAT	July 2004	• Better integration and reduced data entry effort. • Enhanced capability.

Human Resource Management Plan

The Human Resource Management Plan (HRMP) is developed with a 3 + year implementation horizon. Therefore, when reviewing the plan please note the following implementation schedule:

Phase I implementation has commenced due to earlier initiatives or will commence by Fiscal year 2002/03 (March 31, 2003)

Phase II implementation will commence by end of fiscal year 2003/04 (March 31, 2004)

Phase III implementation will commence by end of fiscal year 2004/05 (March 31, 2005) and beyond

The HRMP will be reviewed and updated regularly and will tie into the government and ministry vision, service and business planning initiatives.

The HRMP embraces the Six Strategic Goals for the Public Service necessary to achieve the Public Service vision stated as *"To achieve excellence in public service."*

1. Proactive and Visionary Leadership
2. Performance Focused Workforce
3. Flexible and Motivating Work Environment
4. Learning and Innovative Organization
5. Effective People Strategy
6. Progressive Employee-Employer Relations

Goal	Objectives and Strategies	Lead	Phase	Performance Measure/Target
Proactive and Visionary Leadership	• Allocate funds and resources to participate in leadership development initiatives (govt wide)	Executive	Phase I	8 staff identified to attend Phase II December 9/10
	• Executive Retreat in Fall 2002 to update service plan, encourage team building.	DM	Phase I	
	• Develop a program where ministry leaders are identified and plans for development are written/followed	Executive Sr. Mgrs HRB	Phase II	
	• Ensure all managers are provided with orientation to and promote the government vision	Executive Sr. Mgrs	Phase I	Material distributed by DM Office
	• Review and prioritize Ministry Draft HR Plan objectives and strategies by:	Executive Sponsors	Phase I	Ongoing
	• Executive/Ministry Renewal sponsors participating in staff sessions to promote renewal initiatives and Six Goals and prioritize strategies; set performance measures/targets	To be identified following consultation with staff	Phase II	Workforce Adjustment initiatives and *New Era* project resulted in delays in field consultations on HR Planning projects
	• Finalize HR Plan and implementation plans in place			

Goal	Objectives and Strategies	Lead	Phase	Performance Measure/Target
Performance Focused Workforce	**Performance Management**			
	• Identify key positions and Recruitment and Retention Strategies	HRB with Branch/ Commission leads	Phase I	Workers' compensation system positions identified & competency docs in place; ESB review of existing competency based hiring practices completed
	• Participate in corporate core competency initiatives		Phase I	MS Division staff; incorporated government wide competency dictionary in recruitment of VC positions
	• Develop ministry specific core competencies on a priority basis		Phase I and ongoing	Workers' compensation system VC positions completed
	• Performance Planning and Management for Executive, Sr. Mgrs, Staff – tie in to service plans, feedback tools etc.		Phase I	Performance plan and review process in progress with direct reports to DM

Goal	Objectives and Strategies	Lead	Phase	Performance Measure/Target
Flexible and Motivating Work Environment	• Develop enhanced recognition tools and programs	DM Office	Phase I and ongoing	# of recognition (formal and informal) ceremonies increased
	• Review telework, job share, secondment & flexible work hour practices	Branch Directors/ Executive with HRB	Phase II	workforce adjustment initiatives to be completed
	• Redesign work teams (forums) to include all levels of staff involved in a function to encourage and support innovation and creativity			
	• Identify performance incentives		Phase II	
	• Review policies and devolve authorities wherever possible	DMO with MSDivision	Phase II	PSA and FAA Act delegation authorities identified and matrix prepared
	• implement management broad banding	PSERC	Withdrawn	
	• Develop and promote on organization productivity/ wellness program that values employees and encourages work/home balance	DMO & HRB	Phase II	Post workforce adjustment initiatives being developed Ministry participated in Flu Shot 2002 program Attendance management programs in place to encourage employee awareness and support managers to create a work environment that recognizes employee attendance

Goal	Objectives and Strategies	Lead	Phase	Performance Measure/Target
Learning and Innovative Organization	• Promote awareness of ministry vision and budget allocations/process; ministry service plans and expectations and develop/ communicate and tie into Branch plans	Executive Sponsor; Sr. Managers	Phase I	DMO distributed information and ministry website updates
	• Prepare training needs assessment and training and development plans for staff	Branch Directors/ HRB	Phase I and ongoing	PSLF access and utilization by SDL increased in 02/03
	• Work with other ministries/central agency to develop (or contribute to the development of) interactive computer systems to enable employees to self identify career paths, training needs and related learning opportunities	PSERC	Phase II	
	• Create a culture and work environment where employees take responsibility for managing their careers, training and growth opportunities	Branch Directors, ADMs. HRB	Phase II	Workforce stability initiatives/change management training in progress
	• Develop partnerships with public sector, including other levels of government to encourage secondments/ learning opportunities	Executive	Public sector Phase I	# of secondments in progress increased (participants include those from FIComm, WCB, ICBC, BC Ferries and Attorney General)
	• Develop partnership with industry and private sector employers to facilitate learning opportunities/ job exchanges for staff		Private sector, Phase II	

Goal	Objectives and Strategies	Lead	Phase	Performance Measure/Target
Effective People Strategy	• Promote the corporate hr plan	Executive Sponsor/ Renewal Sponsors	Phase I	DMO distributed information and links on ministry internet
	• Develop and publish ministry hr plan	Executive Sponsor/ Renewal Sponsors	Phase I	As above
	• Integrate ministry/branch HR plans		Phase II	Once workforce adjustment completed and stability created in existing workforce, branch HR plans will be formalized.
	• Develop a communication plan and implementation Renewal Sponsors/teams to promote the hr plan	Executive Sponsor	Phase I	
	• Identify and communicate services that will no longer be provided by the ministry and ensure staff understand their new role and expectations of sr mgmt on the implementation of the ministry service plan	Executive and Branch Directors	Phase I and ongoing	Legislative changes during calendar year 2002 resulted in considerable change; communication plans in place for internal and external communication
	• Survey staff and identify potential organizational productivity and hr issues	MSD ADM	Phase I	Completed
	• Develop and implement a performance measurement framework	Executive	Phase I and ongoing	Key ministry staff attended performance measurement courses

Goal	Objectives and Strategies	Lead	Phase	Performance Measure/Target
Progressive Employee/ Employer Relations	• Provide training to all included and excluded supervisors on collective agreement and terms and conditions for excluded employees to ensure consistent applications	Executive & HRB	Phase I and ongoing	# of employees (spvsrs & mgrs) attended ELS courses throughout the province
	• Promote appropriate dispute resolution methods	Executive & HRB	Phase I and ongoing	Employee satisfaction/ productivity

Adjunct Initiative

Workforce Adjustment	• Manage workforce adjustment activities	Executive, HRB, Managers	Phase I	113 FTE reduction to be completed by March 31/03

Supporting Initiatives

HR Organization	• Review and design HR Organization and processes	Executive, Managers, HRB	Phase I	Ongoing initiatives due to downsizing and legislative changes